NATURE OF WORKFORCE DIVERSITY IN MANUFACTURING ORGANIZATIONS IN NCR

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Abstract.

Diversity brings with it the heterogeneity that needs to be nurtured, cultivated and appreciated as means of increasing. The workforce diversity mainly is to further the availability equal opportunities in the workplace in context to organizations in India. This equal opportunity philosophy is aimed at ensuring that organizations make the most out of the difference from a diverse workforce rather than losing talent which might assist the organization to be more efficient and effective. This paper analyses the kind of diversity present in manufacturing sector of National Capital Region as this area has vast scope for business from national and international companies from all over the world. As research studies of manufacturing sector involving National Capital region of Indian organizations are rare, this paper focuses on diversity in manufacturing companies.

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Introduction.

The worlds increasing globalization requires more interaction among people from diverse cultures, beliefs, and backgrounds than ever before. People no longer live and work in an insular marketplace; they are part of a worldwide economy with competition coming from nearly every continent. For this reason, profit and nonprofit organizations need diversity to become more creative and open to change. Although the management of late has recognized the importance of diversity management, it has not been easy for them to implement. It calls for changing the organization so that it is acceptable to the diverse work force. Affecting a Diversity Management program is often accompanied by resentment from the dominating group because of their perception that the new policies will make the minority dominant and will not be supportive to their interests. Also, organizational change is in itself a complex task. In the context of workforce diversity, it involves creating an inclusive work environment that is aligned with a firm's mission and strategy. In this kind of work environment employee differences are respected. It should not be considered as a legal obligation. Rather it should be seen as machinery for increasing overall organizational productivity.

The diversity is an important feature of India. The Indian civilization is one of the oldest and richest with a great deal of diversity in thoughts, beliefs, creeds and values. In spite of diversified workforce in Indian organizations, some organizations could not tap the advantages out of it because of some discrimination shown to age, gender, disabilities etc .and hence talented candidates are neglected. Well globalization and liberalization has paved the way for foreign industries bringing in more diversity in India. Now it is a challenging task for both Indian and foreign companies to take advantages of diversity. Although foreign organizations are trying their level best to understand socio-cultural aspects of the Indian organizations to improve their effectiveness.

Literature review

Workforce diversity

Hayles (1996), for instance, defines diversity as "All the ways in which we differ". He adds that the diversity concept is not limited to what people traditionally think of it as: race, gender, and disabilities (**[ASTD], 1996b).**

Morrison (1992) categorized diversity in terms of four levels: (1) diversity as racial/ethnic/sexual balance, (2) diversity as understanding other cultures, (3) diversity as culturally divergent values, and (4) diversity as broadly inclusive (cultural, sub-cultural, and individual). **Griggs (1995)** classified diversity into primary and secondary dimensions. Primary dimensions of diversity are those human differences that are inborn and/or that exert an important impact on our early socialization and have an ongoing impact throughout our lives. The six primary dimensions include (1) age, (2) ethnicity, (3) gender, (4) physical abilities/qualities, (5) race, and (6) sexual/affectional orientation.

Griggs also concluded that human beings cannot change these primary dimensions. They shape our basic self-image and have great influence on how we view the world. The secondary dimensions of diversity are those that can be changed and include, but are not limited to, educational background, geographic location, income, marital status, military experience, parental status, religious beliefs, and work experience.

In the near future, the labor market will become more and more a seller's market. The shrinking of the workforce and the shortage of appropriate skilled labor will force employers to compete to attract, retain, and effectively manage all available employees **(Finney, 1989; Jackson & Alvarez, 1992; Johnston & Packer, 1987; Morrison, 1992)**. Many organizations are changing their cultures and beginning to apply more emphasis to valuing and managing diversity mainly because they have a greater understanding of the significant role that diversity will play in their future competitive and organizational success **(Finney, 1989; Griggs, 1995; S. Jackson, 1991; O'Hare, 1993)**.

Types Of Workforce Diversity

A study by Carte and Chidambaram defines diversity in two ways, surface level diversity and deep level diversity (**Carte & Chidambaram, 2004**). **Surface level diversity** is the characteristics that are visible in physical features, and are immediately measured. These characteristics are age, sex and race/ethnicity. **Deep level diversity** pertains to characteristics that cannot be observed immediately, and can only be measured through prolonged communication. They are an individual's values, experiences and attitudes. Surface level diversity tends to increase conflict in the beginning stages of a groups communication. Deep

level diversity increases amount of information available and thus increases group performance and outcomes.

The study, "Why Differences Make a Difference: A Field Study of Diversity, Conflict and Performance in Workgroups" by **Jehn, Northcraft and Neale**, suggests three definitions of diversity: **Social category diversity** – Social category diversity (diversity is usually defined this way) refers to visible physical differences among individuals, such as race, gender, and ethnicity. These are the differences that are first seen between group members and are the first and foremost way that group members categorize each other. Group members will tend to identify more with other members that are more socially similar to them. **Value diversity** – Value diversity occurs when members of a workgroup differ in terms of what they think the group's task, goal, target, or mission should be. In many cases, these differences could lead to disagreements about delegation and resource allocation. For instance, group members who value effectiveness are likely to have disagreements about duty and resource allocation with group members who value efficiency. Similarity in group members' goals and values enhances interpersonal relations within the group. This similarity of values will likely decrease relationship conflict among members. **Informational diversity** - Informational diversity refers to differences in knowledge and perspectives that members bring to the group. These differences occur because of variations on education, expertise and work experience. They increase the likelihood that diverse perspectives and opinions exist in a workgroup. If one group member has a business administration background and one has a degree in psychology these two members would disagree about which task is best to focus on and how to proceed about it.

Job related diversity-like functional expertise,organizational tenure,experience.

Bio-demographic diversity-Age,gender,ethnicity or race.

There are different kinds of diversity that one encounters at the workplace. These include diversity of Gender, Age, ethnicity, Education, Experience, Tenure, Language and Culture. I will look at four of these, Age, Education, Experience ,and Tenure

Indian Workforce Diversity

The Indian workforce consists of over 400 million employees originating from 32 different states (**Kapila 2003**) that tend to be culturally and linguistically unique. Although two languages, Hindi and English, are used for official communication, about 2150 newspapers in 92 languages (**Gopinath 1998**) illustrate the complexity of the Indian linguistic landscape. The level of education of people from different states varies significantly as, for example the states from peninsular India have an aggregate rate of literacy above 70 per cent (**Government of India 2005**) compared to the national average of 65 per cent (**Census 2001**). According to **Datt and Sundharam (2004)**, 54 per cent of women are considered literate which contrasts with another assessment of less than 30 per cent in two other populous states(**Bennington & Mariappanadar 2001**). Possible reasons for the gender based education gap in India (**Kingdon 1998**) are that male education is regarded as a parental investment and there is a gender biased labour market as there is only one per cent of college educated women in India (**Velkoff 1998).**

The Indian population is composed of 82 per cent Hindus, 12 per cent Muslims, and Christians and the Sikhs and Buddhists are about one to two per cent (**Bishop & McNamara 1998**). Within the Hindu religious framework, there are four main castes—*brahmins, kshatriyas, vaishyas and sudras*—and several sub-castes whose members inherit the set of values, system of symbols, beliefs and behavior patterns through a process of socialization which further compound this diversity dimension (**Braasch 2000**). As a secular state, freedom to practise religion is guaranteed by constitutional rights, and companies observe these rights as they accommodate the religious orientation of employees in their HR policies.

Positive Characteristics of the Indian Employees are seen as hard working, as loyal to the company, and as highly motivated to do new things. Secondly, they are seen as intelligent, as well-educated and willing to develop themselves. Thirdly, they are seen as friendly, positive and open towards foreigners.

Negative Characteristics of the Indian Employees, as see are: Indian employees are seen as not committed to results, as unreliable, as bad team-players and as job-hoppers.

Reasons of Workforce Diversity

Globalization is the reason that countries and hence people have come closer. Globalization is the trigger behind more interaction of people from different cultural backgrounds **(P.Dike)**. People no longer work in isolated markets they are part of worldwide economy facing competition from nearly every continent. Diversity is embraced by everyone at workplace due to improvements in political and economic systems and because human rights are being recognized by all nations.

One reason to diversify a workforce is talent shortage. In an era of critical talent shortages, organizations are finding that they must attract, motivate, retain, and utilize their valuable employees effectively if they are to be competitive.

 In order to get the best out of the workforce, companies should not exclude any particular group by gender, race, or religion, the company will be excluding the person that is going to produce the next famous and successful product or someone who is going to contribute in another useful way in marketing,computting or engineering or elsewhere.

In recent years, organizations have recognized that they can best serve different customer groups in many different markets in more diverse workforce even if the locality or home base of the organization is located in a culturally imagine market, there may be substantial customers that are located in other more diverse communities either in its home country or abroad. In communities where other languages dominate, organizations benefits from hiring employees who speak the dominant languages. They could also have diverse workforces design products that attract diverse consumers .

Significance of the Study

The Manufacturing industry has become one of the most significant growth catalysts for the Indian economy. In addition to contributing towards economic development, this industry is also positively influencing the lives of its people directly and indirectly through contributing to the various socio-economic parameters such as employment, standard of living and diversity among others. The industry has played a significant role in transforming India's image from a slow

moving bureaucratic economy to a land of innovative entrepreneurs and a global player in providing world class business services.

Workforce diversity is in its infant stage in India. There are very few studies available on workforce diversity in India.I site some here.**Jindal,Bagade and Sharma** has studied the impact of workforce diversity on work culture of Indian organization and he concluded that , the diversified workforce will bring both opportunities as well as challenges to the organization, if not properly managed. It will have both positive and negative impacts on work culture. Most of the organizations experienced success through diversified work culture by identifying innovated ways of problem solving and facing challenges. A comparative study of workforce diversity in service and manufacturing sectors in India by **aruna deshpande** says that the difference in the workforce diversity in service and manufacturing organizations is mainly due to experience, age and qualifications of employees. The employees feel responsible and committed working in these sectors as they gain experience. A study of Indian organizations by **Meena and Vanka** about diversity management and human resource development concludes that Indian companies are quick to realize and value diversity and are continuously focused on creating a truly inclusive workplace to accommodate labor from diverse background. The Indian organizations are found to be making mark on the issue of respecting diversity and are going much beyond lip-service or tokenism by reviewing their HR practices to derive the maximum from their workforce. They are managing and valuing the diversity.**Haridass Paelmke and Ronel Erwee** studied diversity management in German and indian manufacturingcompanies says that Research on organizational diversity in Germany and India is still in anembryonic stage. Viewed from such a perspective, this study helps to highlight the assumptions and beliefs of German and Indian managers about diversity and, in this way, contributes to knowledge. In general, diversity is viewed as not problematic by both groups, although their perceptions regarding diversity climate and diversity management competences of their companies diverge to a certain extent. Though it is possible to predict differences in diversity climates in German and Indian firms because of the cultural and societal dissimilarities, the study shows that these differences are of a subtle nature and not as deep-rooted as it may be assumed to be. A study of employees'perceptions in Indian organizationsby **Subhash c.Kundu** comes to result that Each group of employees thinks about themselves as more important than other groups of employees.**Soumya goyal and sangya**

srivastava studied role of diversity climate on employee satisfaction in IT personnel,analysis shows that employees who perceive high level of diversity climate have better satisfaction level and lesser intent to leave than those who perceive a lower level of organizational diversity climate.

A study of Cultural Diversity and Challenges for Human Resource Management :A Study of the Indian Manufacturing Sector by **Soumi Rai** concludes that this research aims to address the gap by reviewing the effects of Cultural Diversity (ethnic considerations) on the Human Resource management aspects, specifically related to the Indian manufacturing sector and further understand its related challenges. Another study by **Parul deshpande and Supriya choudhary** about Workforce diversity management-biggest challenge for 21st century managers finds out creating a diverse workforce takes time and even longer to reap the benefits. The management and leaders must not lose focus and interest in creating a diverse workforce – due to the lack of immediate returns.

I have undertaken this research in National Capital Region as there is rarely any work available on this topic in this area.

Research Methodology.

This research is intended to be an empirical research focusing on the Indian manufacturing sector. The researcher has used Non-probability convenient sampling technique. As of March 1996, there were 1,661 medium and large manufacturing organizations. Workforce size of 100+ employees shall be considered. The focus would be on selecting organizations across different areas within the manufacturing domain to get a better representation of the population. The assumption herein will be based upon a large population containing diverse mix of employees across different religion, caste and language. Questionnaire based survey method shall be employed for empirical research. The survey shall be in a detailed format to be filled up Personnel Manager/Head HR of each organization.

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Research Analysis

A survey was conducted for coming up with the variables on which the diversity is based. These variables form the diverse workforce. From the survey the following points were identified as key variables for analysis:

Age

Gender

Ethnicity

Education

Experience

Tenure in organization.

The intention of conducting the survey was to find out the composition of workforce in these companies.

The survey was conducted in various organizations located in manesar, Gurgaon, Ghaziabad, Faridabad, Okhla, Delhi, palwal, noida, greater noida in NCR in India. A total of 100 questionnaires were circulated, from which 53 were usable. The effective sample size for analysis is 53.

Key Findings

Diversity Aspects In organizations

Variable	Particular	Percentage
Age	20-25	9
	25-30	30
	30-35	28
	35-40	20
	40 and above	13
Gender	Male	86

	Female	14	
ethnicity	North Indian	67	
	South Indian	5	
	West Indian	10	
	East Indian	18	
Educational background	Undergraduate	27	
	Graduate	44	
	Postgraduate	12	
	others	17	
experience	Up to 2	11	
	Up to 5	41	
	Up to 10	26	
	Above10	22	
Tenure in company	Up to 1 yr	9	
	Upto3 yr	16	
	Up to 5 yr	42	
	Above 5 yr	33	

Interpretation of Findings

a) Analysis show that diversity is found to be present in, age, Educational background, Experience and Tenure in organization. There in almost no diversity in gender and ethnicity, as male is present in more percentage and norths Indians are also representing the employee workforce respectively.

b) Employees between age group of 20-25 are 9%,employees of age group 25-30 are30%,employees of age group 30-35 are 28%,employees of age group 35-40 are 20% and employees above age 40 are 13%.

c) Employees who are undergraduate are 27%,with graduate degree 44%,with post graduate degree 12%.

d) Employees who has 2 years of experience are 11%,upto 5 years experience 41%,upto 10 years of experience are26% and employees who has above 10 years of experience are 22%.

e) Employees who has 1 year of tenure in company are 9%,upto 3 years of tenure are 16%,upto 5 years of tenure are 42% and employees who are working for more than 5 years in the same organization are 33%.

f) There is no diversity of gender as the analysis shows that there is 86% of male employees and only 14% of female employees working in these organizations. Similarly there is no diversity of ethnicity prevailing as north Indians are 67%,west Indians are 10%,south Indians are 5% and east Indians are 18%.here north Indians are in maximum percentage so not much diversity .

Limitations of the study

There are some limitations inherent in the study. The sample size was small used for the study, the sample was a convenient sample among the professionals in manufacturing organizations in India. Thus, the sample may not be a truly representative sample, and the results of the study cannot be generalized across the entire industry. The limitations of the study suggest several prospects for further research. There is vast scope for further study of the factors affecting workplace diversity in manufacturing organizations, as well as other industries. Furthermore, diversity management practices can be compared between industries, and their impact on employee productivity and job performance can be studied.

Conclusions

In this study of manufacturing sectors we find out the composition of workforce in terms of age, gender, educational qualifications, experience and tenure of service present in national capital region of India.

Diversity intends to create and maintain a positive work environment where the similarities and differences of individuals are valued, so that all can reach their potential and maximize their contributions to an organization's strategic goals and objectives. Diversity management ensures

that all employees have the opportunity to maximize their potential and enhance their self-development and their contribution to the organization. It recognizes that people from different backgrounds can bring fresh ideas and perceptions, which can make the way work is done more efficient and make products and services better. Managing diversity successfully will help organizations to nurture creativity and innovation and thereby to tap hidden capacity for growth and improved competitiveness.

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